



MEMORANDUM

May 14, 2014

TO: Barbara Matthews, City Manager

FROM: Chris Henry, R&P Administration Manager *CH*

VIA: Tim Chesnutt, Director of Recreation and Parks *TC*

SUBJECT: Billy Casper Golf's Annual Report for RedGate Golf Course 2013

Attached is Billy Casper Golf's (BCG) 2013 Annual Report for RedGate Golf Course. The good news is golf rounds and revenues are up slightly and water use is down significantly from 2012, the bad news is a tornado came through and damaged or brought down more than 40 trees that BCG is still dealing with to this day.

Another challenge worth mentioning is the maintenance of the monopole located between golf holes 15 and 16. Monopole contractors have done significant damage to the turf, 16 tee box, trees and City land surrounding the leased space. The City is responsible for the lease, receives the revenue for the monopole and will need to work with the lease holders (Crown Castle, Verizon, AT&T, etc.) to repair the damage and set rules for future use of the property they access. The current lease expires within the next few years. Recreation and Parks recommend that, at a minimum, the lease require an improved pathway for maintenance vehicles including a turnaround area and perhaps limited access or at least a system to track vehicles and companies accessing the site. It has been difficult identifying the contractors responsible for the damage because there is no system in place to track vehicles or people accessing the monopole lease area. The City has also received at least one request to increase the size of one vendor's land lease to add an additional generator to provide power in the case of a power outage. This will impact trees, there will be more noise and potentially more visits to the site to maintain the equipment. One vendor stated that each lease participant will likely be requesting additional space for a generator because they will never share a generator with the other vendors.

City staff is working with BCG on two items that are still outstanding and agreed to in the lease amendment of 2013:

- Schedule a diver to investigate the possibility of lowering the irrigation intake valve within the irrigation pond to increase the quantity of natural water being used to irrigate the course.
- Drill a test well more than 500 feet from the existing well to determine if another well would deliver additional water naturally.

Let us know if you have any questions.



Managed by Billy Casper Golf
2013 Annual Report

Background

RedGate Golf Course was built in 1974. The City managed and operated the course until the Mayor and City Council directed the City Manager to enter into a lease agreement with Billy Casper Golf (BCG) for management and operations of the facility beginning on January 1, 2012.

2013 Management Highlights

Rockville Golf Management had a very successful year in spite of some major weather setbacks. In 2013 over 40,000 rounds were played at RedGate. This is an increase of almost 1,000 rounds over the previous year. The increase in rounds was very surprising after a slow start to the golf season. Play was down in the first and second quarter of 2013 when compared to 2012. This was due in large part to below average weather temperatures and 26 less playable days compared to January – June, 2012.

RedGate continues to utilize Billy Casper Golf's ACE customer service training program that led to numerous positive guest emails and comments about the friendliness and helpfulness of the staff and the facility in general. Billy Casper also utilizes a 3rd party company to conduct monthly mystery shops at their golf facilities and RedGate improved on its 2012 average with a 95% for the year. This puts the course in the top 9 of all BCG facilities for 2013.

Capital improvements to the course were made during the 2013 season to improve the guest experience. This list includes:

- Re-surfaced the signs on Route 28 and Avery Rd
- New bridge side rails on the 17th hole
- Refinished starter building
- Signage around the clubhouse promoting memberships and the grill
- New range balls
- Construction of 40'x60' outing deck to host large group events.

Many challenges were faced during the 2013 season. The most difficult included:

- A category EF-0 tornado touched down on June 13, 2013 and damaged trees on holes, 9, 7, 13 and 14.
 - The course was closed on Friday the 14th but reopened in time for the busy Father's Day weekend.
- Slow start to the golf season with below average weather conditions in the first and second quarter of the year.
- Partnership with the USDA to help control the 350 non-migratory geese that have overtaken the course. Such a large number of this type of invasion species caused significant damage to the course and was off-putting for golfers who frequented the course.
- Continued lack of seating to attract larger golf outings. This was addressed with the construction of the deck which was not complete until the end of 2013.

Looking forward to 2014, we are very excited about the opportunities and implementation of new programs for our guests and members, including:

- Revamped Player Development Program with less expensive rates and more options for players to use its privileges.

- Enhancing the RedGate Advantage card which is now half the cost and provides 3 times the discounts of the previous program. Members also have access to 3 other Maryland courses. This new card will help RedGate be more competitive with the membership offers that the Montgomery County Revenue Authority courses have.
- With the success of the Nike Golf Summer Camps, RedGate has added 4 additional weeks of camps and hopes to attract over 150 area kids.
- With the expanded space for outings, RedGate has already seen a large increase in interest for group events. Pre-books for 2014 are well ahead of 2013 numbers.

The golf course maintenance department will continue to look for ways to improve the experience of guests frequenting RedGate. In 2013 every aspect of the golfer's experience has been examined for possible enhancements.

- The bag rack on the front of the clubhouse has been refinished.
- The starter stand was refinished, trim was painted and planter boxes were added to enhance the visual appeal to both new and returning guests.
- New spike cleaners, trash and recycling bins have been added to the clubhouse and course to enhance the experience.
- Guardrail on the 2nd and 17th holes to keep carts out of potentially dangerous areas.

These items along with the overall conditions of the course have not gone unnoticed by the guests. RedGate has received numerous compliments both verbal and written, citing these improvements and others as reasons they will return to RedGate.

Capital Improvements Plan

Unfortunately, the 2013 capital improvement was put on hold until Billy Casper and the City were able to negotiate an amended lease. Once this lease was finalized, construction of the outing deck started at once. The majority of the deck was completed in 2013, but the deck was not finished before winter weather delayed the opening of the deck until spring 2014.

Water for Irrigation

Numerous factors played a part in the large reduction of water that RedGate needed to purchase for irrigation of the course. With some help from the weather, City staff and Billy Casper best practices, RedGate was able to reduce the water usage by over 4 million gallons from 2012 to 2013. RedGate also reduced the water purchased from the city by over \$100,000. There were numerous factors that helped reduce the amount of water that RedGate purchased. With the help of generally cooler weather during peak summer months, a bit more timely rain, and the City, as part of its routine maintenance, flushed the water lines in the area into the RedGate retention ponds instead of the RedGate Farms stormwater pond. Although overall rainfall totals from 2012 to 2013 were very similar, the spacing of these rain events is significant because the irrigation ponds at RedGate are also storm water management ponds. Once the ponds are filled to capacity, any excess simply drains from the pond down the storm water management spill ways. Because of this, the amount of rainfall and the spacing of the rainfall are both significant factors when determining how much rain water was actually usable and how much simply washed down the drain.

Water usage and cost

Year	Water Cost
Fiscal 2009	\$20,760 for a partial year
Fiscal 2010	\$12,761 for 3.4 million gallons
Fiscal 2011	\$35,345 for 6.4 million gallons
Fiscal 2012	\$158,000 for 22 million gallons
Fiscal 2013	\$15,207 for 1.7 million gallons

Many techniques were also employed during 2013 to help reduce the amount of city water that was needed, these included:

- Injecting wetting agents through the irrigation system, which allows the grass to absorb more water;
- Monitoring the weather more closely to turn off the irrigation system during major rain events;
- Improving the irrigation system through the use of head run-time adjustments and rewiring the clocks on the course to alleviate wet and dry spots;

- Better communication with city personnel and having the control to turn the water valve on and off;
- Daily monitoring of course conditions to make sure we did not over-water.

All of these practices helped RedGate save water, but weather patterns in 2013 were the biggest reason for the huge reduction in water usage at the course in 2013. BCG continues to be committed in reducing the amount of water that is required to keep RedGate in optimal condition.

During the course of the 2013 season, several issues arose with the contractors that were charged with maintaining the Monopole near the 15th green and 16th tee box. Most recently in fall 2013, contractor's trucks drove directly across the 16th tee, causing roughly \$2,500 in damages to the area. BCG understands that the lease for the cell tower is up for renewal and would like to have input as to specific provisions which should be considered in order to protect the course from future damage. BCG would also like to better understand its role with regards to the tower and who is supposed to have access to that area.

Total Golf Revenues 2012 vs 2013

	2013	2012	Prior Year Variance
Revenue- Lease Classification			
Greens Fees - Golf Revenue	\$723,360.96	\$783,605.69	(\$60,244.73)
Cart Fees - Golf Revenue	\$107,814.48	\$112,895.27	(\$5,080.79)
Driving Range - Golf Revenue	\$48,632.47	\$49,154.40	(\$521.93)
Golf Cards/Passes - Golf Revenue	\$65,429.20	\$21,450.00	\$43,979.20
Dues Income - Golf Revenue	\$193,037.99	\$145,992.34	\$47,045.65
Total Golf Revenue	\$1,138,275.10	\$1,113,097.70	\$25,177.40
Alcohol - Other Revenue	\$56,967.28	\$57,116.01	(\$148.73)
Food - Other Revenue	\$90,601.60	\$91,055.99	(\$454.39)
Golf School Revenue - Other Revenue	\$20,545.94	\$12,100.00	\$8,445.94
Other Golf Revenues - Other Revenue	\$2,285.36	\$5,892.24	(\$3,606.88)
Miscellaneous - Other Revenue	\$860.96	\$2,354.57	(\$1,493.61)
Pro Shop Sales - Other Revenue	\$104,398.76	\$91,431.52	\$12,967.24
Total Other Revenue	\$275,659.90	\$259,950.33	\$15,709.57
Total Revenue	\$1,413,935.00	\$1,373,048.03	\$40,886.97

Round Counts for 2012 vs 2013

	2013 BCG Management	2012 BCG Management	2011 City Management
TOTAL	40,005	39,213	33,500
Public	26,158	26,842	
Outing	1,806	1,361	
Member	12,041	11,010	